

FINANCIAL SERVICES



MISSION STATEMENT

The Financial Services Department is committed to quality and excellence, ensuring the financial integrity of the City and its related agencies while providing efficient, courteous service.

ABOUT FINANCIAL SERVICES

The Financial Services Department is responsible for providing quantitative financial information as well as qualitative fiscal management of City funds. This enables the City Council, City departments and agencies to make informed decisions on the allocation of available resources through the careful analysis of revenues and expenditures. The department also maintains a balanced City budget, and provides the City's financial condition and the results of its operations in the fiscal year-end Comprehensive Annual Financial Report (CAFR).

The department provides a wide range of services including budget, purchasing, accounts receivable and revenue collection, fixed asset management, payroll, accounts payable, accounting, deferred compensation administration, Public Employees' Retirement System (PERS) reporting, debt management, and internal audit management.

OBJECTIVES

The Financial Services Department closely adheres to the City Council's adopted Financial Policies and administers the City's fiscal operations in conjunction with the City's Ten-Year Strategic Plan Goals. These include maintaining a balanced operating budget for all governmental funds, monitoring all proprietary funds to ensure that they remain self-supporting, maintaining appropriate reserves, and complying with all bond covenants. The City's and its related agencies' bonded indebtedness will continue to be monitored including debt service payments, bondholder relations, arbitrage coordination, continuing disclosure requirements, and internal controls.

The Department will comply with the changes in reporting requirements and adhere to the principles of the Governmental Accounting Standards Board (GASB). Staff will provide ongoing training and support to City employees in the Oracle Financial System, and maintain a high level of customer service to other City departments, residents, and businesses.

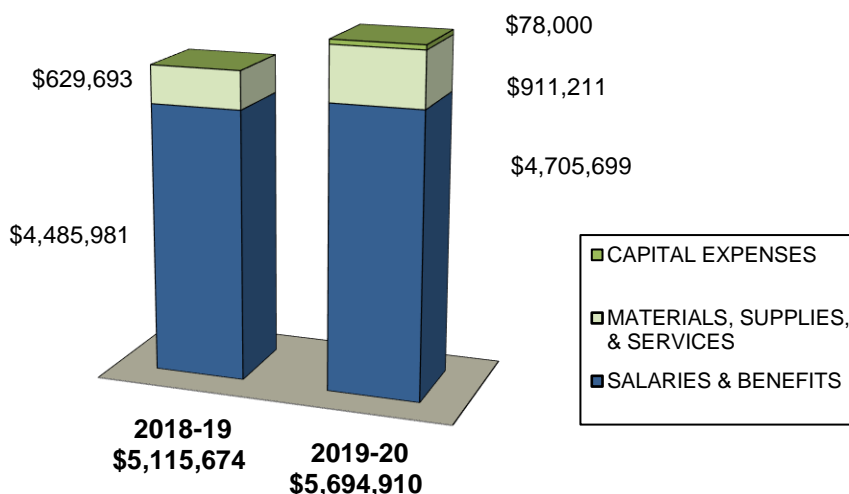
The Department will continue to produce an award winning Annual Budget, Capital Improvement Program (CIP) Budget, and CAFR that is recognized by both the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO).

DEPARTMENT SUMMARY

	EXPENDITURES FY2017-18	BUDGET FY2018-19	BUDGET FY2019-20	CHANGE FROM PRIOR YEAR
Staff Years	32.800	32.800	32.800	
Salaries & Benefits	\$ 4,193,616	\$ 4,485,981	\$ 4,705,699	\$ 219,718
Materials, Supplies & Services	516,579	629,693	911,211	281,518
Capital Expenses	-	-	78,000	78,000
TOTAL	\$ 4,710,194	\$ 5,115,674	\$ 5,694,910	\$ 579,236



DEPARTMENT SUMMARY



2018-19 WORK PROGRAM HIGHLIGHTS

- Adopted a balanced budget totaling approximately \$612 million.
- For the 27th year in a row, the City received the GFOA's Distinguished Budget Presentation Award for FY 2018-19. This is the highest form of recognition in governmental budgeting.
- The City's FY 2018-19 Adopted Annual Budget and CIP Budget received the Excellence in Operating Budget Award and Excellence in Capital Budget Award by CSMFO.
- For the 35th consecutive year, the CAFR received the GFOA's annual national achievement award.
- Received the 2018 Achievement of Excellence in Procurement (AEP) award through the National Procurement Institute (NPI).
- Implemented GASB 75 accounting and financial reporting for postemployment benefits other than pension plans for reporting requirements into the CAFR.
- Cross-trained accounting staff on components of the CAFR, the Oracle Projects module, and the Oracle Fixed Assets Module.
- Completed monthly spendable fund balance reports to evaluate fund performance. This includes evaluating fund performance based on cash flow, asset/liability valuations and reserves, and addressing legislative risks that may affect future revenues and increasing expenditures.
- Coordinated the audits with an outside CPA firm for the Transient Occupancy Tax and Transient Parking Tax to ensure compliance with the City's code and ordinances.
- Worked with consultants to restructure 1099 reporting in the Oracle Financial System, making the processes more efficient.
- Updated the Sales and Use Tax Instruction Manual to account for State updated programs.
- Worked with the Information Technology Department to restructure the employee W2 validation and corrections process for more efficient year-end procedures.
- Worked with the Information Technology Department to create an online request form for collections in order to be more efficient for other departments.
- Updated the Accounts Receivable manual to include policies and procedures on invoicing and credit memos.
- Worked with the contracted collection agency to implement and participate in the California Franchise Tax Board Interagency Intercept Collection Program.
- Worked with other departments to clean up receivable activities in Oracle.
- Completed testing and roll-out of the Bid Schedule tracking and management report for better communication and management of City construction projects.
- Established the Pension and Other Post-Employment Benefit Funding Policy, and the Infrastructure Maintenance, Repair, and Improvement Funding Commitment Policy. The new financial policies will ensure appropriate oversight of revenues and long-term fiscal sustainability generated by Measure P.



2019-20 WORK PROGRAM GOALS

- Submit an award winning CAFR, Budget and CIP.
- Receive the 2019 AEP award through the NPI.
- Maintain a balanced City budget and update the five-year financial forecast to address any future projected budget shortfalls with a goal of forecasting within + or - 3% of actual results.
- Implement a multi-year PERS funding plan in order to reduce the Unfunded Actuarial Liabilities (UAL) and reduce pension costs in future years.
- Update and monitor spendable fund balance reports for City funds on an ongoing basis.
- Coordinate Transient Occupancy Tax and Transient Parking Tax audits and other special audits.
- Monitor any newly issued GASB pronouncements. Following GASB helps assure the public and the financial community that the City's finances are being handled competently.
- Meet all required reporting for State, Federal, and other governmental agencies and submit the annual State Controller's Report.
- Cross-train accounting staff on the CAFR, General Fund, General Capital Projects fund, State Controller's Report, and cash reconciliation processes.
- Enhance the CAFR to improve the coordination with the State Controller's Report.
- Conduct a Request for Proposal for a new CAFR financial reporting program.
- Conduct a Request for Proposal for Other Post Employment Benefits (OPEB) Actuarial services.
- Update the Accounts Receivable process, procedures, and training manual.
- Create a training manual for the Oracle Advanced Collections module.
- Create a procedural manual for reconciling the parking citation bank account.
- Streamline processes to improve customer service and operational efficiency for Receivables and Collections.
- Continue process improvements within the Oracle Hyperion Public Sector Planning and Budgeting module by creating additional reports to enhance the budget book, streamlining the capital budgeting process, and automating the General Fund forecasting process.
- Update the Administrative Procedure on Budget Transfers and Amendments.
- Complete the recruitment and training for the new Buyer I position to achieve full operational efficiency.
- Update the City's Purchasing Code to increase clarity and reflect changes in process and technology.
- Update the City's Administrative Procedures for Purchasing and the Disposition of Personal Surplus Property to coincide with the revised Purchasing Code and address changes in the processes and procedures.
- Update the Purchasing Division's training course(s) for departments, to increase operational efficiency and provide training related to the new requirements and procedures.
- Evaluate the City's procurement readiness to respond to emergencies and propose needed changes.
- Establish a Mission Statement for the Purchasing Division with a strong emphasis on customer service.
- Reorganize the Municipal Infrastructure Fund (Fund 534) and establish a reporting structure in order to track new Measure P funding and provide data to the Infrastructure Oversight Board (IOB).

Accounting/Administration Division

001.FN01A



The Accounting/Administration Division is responsible for the development, implementation, and maintenance of effective financial accounting systems and controls. The Division provides for management control over the City's financial operations by ensuring the ability to present fairly, and with full disclosure on a timely basis, the financial position of the City. This Division is responsible for the development of long range financial planning and fiscal support functions to other City departments and other responsible agencies. Payroll, debt management, deferred compensation/PERS reporting, accounts payable, accounting and financial reporting, as well as managing of internal audits are handled in this Division.

OBJECTIVES

- Complete month-end closings of all Oracle financial modules in a timely manner.
- Issue the June 30, 2019 Comprehensive Annual Financial Report (CAFR) that meets the GFOA award program guidelines for excellence in financial reporting.
- Coordinate the annual financial audit with outside auditors.
- Provide initial and ongoing training for all Oracle Financial users.
- Complete State Controller's Reports, Street Reports, and Comprehensive Annual Financial Reports (CAFR's) within applicable deadlines.
- Work with Information Technology to implement on-going enhancements for the Enterprise Resource Planning (ERP) system.
- Work with other departments to update and maintain a five-year cash flow analysis for Refuse, Sewer, Gas Tax, Parking Authority, Transportation funds, Housing funds, and Internal Service funds.
- Issue all employee and vendor tax statements accurately and within applicable deadlines.
- Perform system requirements documentation with the Information Technology Department.
- Facilitate debt administration for all bond issues.
- Enhance interdepartmental communications and customer service through ongoing training and department meetings.
- Coordinate the City's Internal Audit Program with our outside CPA firm and issue Transient Occupancy Tax, Transient Parking Tax, and Special Audit Reports.
- Update monthly spendable fund reports and recommend actions as needed.
- Ensure all employee and vendor payments are processed on time and in compliance of City, State, and Federal requirements.
- Ensure all biweekly, quarterly, and annual tax remittances and report filings are completed accurately and on time.

CHANGES FROM PRIOR YEAR

Additional funds in the amount of \$3,535 are budgeted for a contractual increase in external audit services. The training budget has also been increased to reflect the training needs of the division.

Accounting/Administration Division

001.FN01A



	EXPENDITURES FY2017-18	BUDGET FY2018-19	BUDGET FY2019-20	CHANGE FROM PRIOR YEAR
Staff Years	17,800	17,800	17,800	
60001.0000 Salaries & Wages	\$ 1,672,477	\$ 1,669,711	\$ 1,755,574	\$ 85,863
60006.0000 Overtime - Non-Safety	-	5,000	5,000	
60012.0000 Fringe Benefits	300,153	307,644	311,580	3,936
60012.1008 Fringe Benefits:Retiree Benefits	12,270	11,534	13,820	2,286
60012.1509 Fringe Benefits:Employer Paid PERS	138,653	147,986	170,080	22,094
60012.1528 Fringe Benefits:Workers Comp	23,447	28,368	28,723	355
60012.1531 Fringe Benefits:PERS UAL	237,719	293,850	342,344	48,494
60015.0000 Wellness Program Reimbursement	225	-	-	
60022.0000 Car Allowance	4,488	4,488	4,488	
60027.0000 Payroll Taxes Non-Safety	24,045	24,211	25,456	1,245
60031.0000 Payroll Adjustments	1,009	-	-	
Salaries & Benefits	2,414,486	2,492,792	2,657,065	164,273
62085.0000 Other Professional Services	\$ 171,450	\$ 183,966	\$ 187,501	\$ 3,535
62300.0000 Special Dept Supplies	8,400	6,200	8,000	1,800
62310.0000 Office Supplies, Postage & Printing	7,984	9,405	9,405	
62420.0000 Books & Periodicals	617	500	500	
62440.0000 Office Equip Maint & Repair	-	200	200	
62455.0000 Equipment Rental	7,554	12,000	10,200	(1,800)
62470.0000 Fund 533 Office Equip Rental Rate	634	634	-	(634)
62485.0000 Fund 535 Communications Rental Rate	17,276	26,131	26,705	574
62496.0000 Fund 537 Computer System Rental	51,707	130,063	264,038	133,975
62700.0000 Memberships & Dues	1,628	1,588	1,588	
62710.0000 Travel	3,423	6,495	495	(6,000)
62755.0000 Training	4,949	5,741	21,112	15,371
62895.0000 Miscellaneous Expenses	2,105	1,625	1,625	
Materials, Supplies & Services	277,726	384,548	531,369	146,821
Total Expenses	\$ 2,692,212	\$ 2,877,340	\$ 3,188,434	\$ 311,094

Budget/Purchasing/Revenue Division

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This Division is made up of three sections. The Budget Section's main function includes the preparation, development, and publication of the Annual Adopted Budget and the CIP budgets. The Budget staff works with all City departments in obtaining revenue estimates, analyzing expenditures and assisting on budget amendments during the fiscal year. The Budget Section submits a Proposed Budget document to Council for review prior to adoption. This section also provides reports regarding the financial status of the City during the fiscal year.

Purchasing provides centralized control over the issuance of purchase orders and contracts with respect to the procurement of goods and services, and provides administrative management of the City's procurement card program.

The Revenue Section is responsible for managing and forecasting the revenue operations of the City by monitoring the City's major revenues, such as Sales Tax and Property Tax. It is also responsible for the City's billed receivables, including the collection of citywide delinquent accounts.

OBJECTIVES

- Prepare, publish and maintain a balanced Annual Operating and CIP Budget.
- Anticipate potential economic impacts from changing conditions, State budget impacts to Burbank, State and Federal legislation to the City, and recommend and/or take measures to mitigate or minimize those impacts.
- Coordinate the annual cost allocation plan.
- Prepare the annual update of the Burbank Fee Schedule.
- Provide ongoing training to all departments on Hyperion, Oracle Purchasing and Accounts Receivable modules.
- Enhance interdepartmental communications and customer service through ongoing training and department meetings.
- Support Citywide purchasing needs by assisting departments in preparing bid specifications and requests for proposals as well as negotiating contract terms.
- Provide the City Manager and City Council ongoing status reports on the City's financial condition.
- Administer the City's billed receivables and maintain the collection of delinquent accounts for all departments.
- Provide departments with analytical support for special studies such as revenue analysis for proposed new fees and funding sources.
- Facilitate the budget process using the Oracle Hyperion Public Sector Planning and Budgeting module.

CHANGES FROM PRIOR YEAR

Funds for the Transactions and Use Tax professional services agreement are being allocated in the amount of \$1,200 for audit recovery and reporting. The training budget has also been increased to reflect the training needs of the division.

A capital contribution to Fund 537 (Information Technology Fund) in the amount of \$78,000 will be used to upgrade the Hyperion Budgeting Software application support and license.

Budget/Purchasing/Revenue Division

001.FN02A



	EXPENDITURES FY2017-18	BUDGET FY2018-19	BUDGET FY2019-20	CHANGE FROM PRIOR YEAR
Staff Years	15,000	15,000	15,000	
60001.0000 Salaries & Wages	\$ 1,231,359	\$ 1,330,386	\$ 1,364,151	\$ 33,765
60006.0000 Overtime - Non-Safety	-	500	500	
60012.0000 Fringe Benefits	213,472	260,575	261,778	1,203
60012.1008 Fringe Benefits:Retiree Benefits	9,448	9,720	11,646	1,926
60012.1509 Fringe Benefits:Employer Paid PERS	95,790	117,912	132,159	14,247
60012.1528 Fringe Benefits:Workers Comp	17,997	21,577	20,628	(949)
60012.1531 Fringe Benefits:PERS UAL	192,076	233,228	237,992	4,764
60027.0000 Payroll Taxes Non-Safety	17,060	19,291	19,780	489
60031.0000 Payroll Adjustments	1,928	-	-	
Salaries & Benefits	1,779,130	1,993,189	2,048,634	55,445
62085.0000 Other Professional Services	\$ 117,930	\$ 99,834	\$ 101,034	\$ 1,200
62220.0000 Insurance	45,695	39,764	33,569	(6,195)
62300.0000 Special Dept Supplies	7,569	4,578	4,578	
62310.0000 Office Supplies, Postage & Printing	5,099	6,350	6,350	
62420.0000 Books & Periodicals	-	100	100	
62440.0000 Office Equip Maint & Repair	163	200	200	
62455.0000 Equipment Rental	8,297	10,525	9,495	(1,030)
62470.0000 Fund 533 Office Equip Rental Rate	647	647	-	(647)
62485.0000 Fund 535 Communications Rental Rate	5,136	7,769	7,939	170
62496.0000 Fund 537 Computer System Rental	37,681	62,547	194,819	132,272
62700.0000 Memberships & Dues	1,583	1,745	1,835	90
62710.0000 Travel	6,658	4,956	456	(4,500)
62755.0000 Training	1,794	5,280	17,677	12,397
62895.0000 Miscellaneous Expenses	600	850	1,790	940
Materials, Supplies & Services	238,853	245,145	379,842	134,697
70023.0537 Capital Contribution:Fund 537	\$ -	\$ -	\$ 78,000	\$ 78,000
Capital Expenses	-	-	78,000	78,000
Total Expenses	\$ 2,017,982	\$ 2,238,334	\$ 2,506,476	\$ 268,142

FINANCIAL SERVICES

Authorized Positions



CLASSIFICATION TITLES	STAFF YEARS FY2017-18	STAFF YEARS FY2018-19	STAFF YEARS FY2019-20	CHANGE FROM PRIOR YEAR
ACCOUNT CLK	4.800	4.800	2.800	-2.000
ACCOUNTANT	3.000	3.000	3.000	
ACCTG&AUDIT MGR	1.000	1.000	1.000	
ADM ANALYST I (Z)	1.000	1.000	1.000	
ADM ANALYST II (M)	2.000	2.000	2.000	
AST FINANCIAL SRVS DIR	0.000	0.000	2.000	2.000
BUDGET MGR	1.000	1.000	1.000	
BUYER I	2.000	2.000	2.000	
BUYER II	1.000	1.000	1.000	
DEP FINANCIAL SRVS DIR	2.000	2.000	0.000	-2.000
EXEC AST	1.000	1.000	1.000	
FINANCIAL SRVS DIR	1.000	1.000	1.000	
FINANCIAL SYS MGR	1.000	1.000	1.000	
INTERMEDIATE CLK	2.000	2.000	2.000	
PAYROLL TECH I	0.000	0.000	2.000	2.000
PAYROLL TECH II	1.000	1.000	1.000	
PRIN ACCOUNTANT	1.000	1.000	1.000	
PURCHASING MGR	1.000	1.000	1.000	
REVENUE MGR	1.000	1.000	1.000	
SR ACCOUNTANT	1.000	1.000	1.000	
SR ADM ANALYST (M)	1.000	1.000	1.000	
SR ADM ANALYST (Z)	1.000	1.000	1.000	
SR CLK	1.000	1.000	1.000	
SR COLLECTIONS SPECIALIST	1.000	1.000	1.000	
SUPVG ACCOUNT CLK	1.000	1.000	1.000	
TOTAL STAFF YEARS	32.800	32.800	32.800	